Essential Health Benefits Work Group
Monday June 4, 2012 – RI-CIE – 8:00am
Meeting Minutes

Attendees: *Elaina Goldstein, Vivian Weissman, Mark Deion, Sandi Ferretti, Tara Townsend, Dawn Wardyga, Paul Block, Susan Yolen, Amy Black, Kathryn Shanley, Elaine Jones, Peggy O'Neil, Domenic Delmonico, Diana Beaton, John Cucco, Kim Paull, Brian Jordan, Chris Kent, Owen Heleen, Bill Hollinshead, Beth Lange, Don Fruge, Linda Ward, Craig O'Connor, David Keller, Lindsay McAllister, Lauren Lapolla, Maria Tocco, Angela Sherwin, Commissioner Koller, Tim Bonin, Holly Garvey, Rebecca Kislak*

I. Call to Order: Lindsay McAllister called the meeting to order at 8:00am and welcomed the members to the meeting. She advised that today we would do a quick recap of where we have been thus far when discussing the Essential Health Benefits (EHB), and then looking to today's discussion of applying criteria and comparing benchmark plans.

II. Presentation – Comparing Benchmark Plans [slides available on website and upon request]

Questions/Comments Clarifications

a. Kathryn Shanley: On the state plan for example, dental is sold completely separately, so should it be listed separately?
    i. Lindsay McAllister No… (inaudible response)
b. Paul Block: The new autism coverage bill, how will that impact this?
    i. Lindsay McAllister That is only going to impact the large group market, not the individual.
c. Kathryn Shanley: Is this based on affordability at today's premiums, which are reflecting the experience of the small group market, or is this adjusted at all?
    i. Lindsay McAllister Looking at what information is available to us publically. There will need to be a lot more discussion to have an actuarial analysis of the cost, this is looking at the benefit design to the extent that we know.
d. Dawn Wardyga: Can you remind us of the timeline around this decision – looking at the information that we have now, and knowing we need more detailed information
    i. Lindsay McAllister The decision, we know, has to be made in Quarter three, but we do not have a specific date from the federal government as yet. There was some guidance from HHS two weeks ago having each of the benchmark plans submit the data we are discussing, but in that guidance there was not deadline for that data.
    ii. Dawn Wardyga: Then does that mean what this does is extends the time of this particularly work group?
    iii. Lindsay McAllister Yes today we are sharing an analysis of some of the plans, then we will detour to look at the dental and

vision plans, then we will take a look at what we know on habilitative, at least our intent is to do so at this point. Then likely have one or two meetings after that to wrap up in August. Then there is a great amount of bringing along that we will need to take to the Executive Committee.

iv. Dawn Wardyga: When we get to specific recommendations, which we will need by August, then we are still a bit impaired – is that true? I think it is important going forward we consider plans A, B and C that we can live with.

v. Lindsay McAllister You raise a good point – we can only do so much with the information that is available to us. Given that information and the operating environment, we have to come to what are we comfortable coming to consensus on. It is difficult. It will be very helpful for HHS as they are helping the states to offer Qualified Health Plans, but as to EHB the guidance recently released was not as helpful as we had hoped.

e. Elaina Goldstein: On the affordability point, I thought there was something in the law that says the premiums can only be a certain percentage of income. Does that cap the amount of money that we charge for a plan on the exchange?

i. Lindsay McAllister No, I think that what you are getting at is more how individuals will access subsidies.

ii. Elaina Goldstein: I thought there was a certain affordability income for those not getting a subsidy as well?

iii. Lindsay McAllister In terms of the cost for the individual, it is a sliding scale, but it has nothing to do with a cap on the cost of a premium. It simply has to do with what your subsidy or tax credit would be and what your employer considers affordable.

iv. Elaina Goldstein: If you do not get a subsidy then the plans on the exchange could be unaffordable.

v. Dan Meuse: There is nothing that prevents the exchange from offering plans that are "unaffordable" to those not receiving a tax credit. There is not a limit on how much the premiums need to be, there is an understanding that to reach the goal of universal coverage, the most reasonable premiums possible would be a goal.

f. Mark Deion: You identify including all state benefits, what happens if in future years the general assembly decides to legislate additional benefits? What will that mean for a state plan?

i. Lindsay McAllister: At least initially, the look back to determine which mandates are included and what are not included is what was on the books by the end of 2011, at least for the first two years [2014 and 2015].

ii. Mark Deion: That is in compliance with the feds, so does that mean the exchange prohibits the legislator from legislating?

iii. Lindsay McAllister: No, but it adjusts the dynamic. Anything added after 2011 would be the state's fiscal responsibility. The percentage of cost in addition to the baseline benchmark plan, and beyond what wasn't on the books at the end of 2011.

g. Brian Jordan: Prescription drugs, what is the coverage for that?
    i. Lindsay McAllister: It would need to be offered in reference to how the benchmark plans offers prescription drugs.
    ii. Commissioner Koller: All the benchmark plans cover prescription drugs.
    iii. Dan Meuse: The guidance we have received so far say that the copays are subject to plan design. As long as it covers the benefit, then differentials are fine. If the benchmark includes some sort of step therapy in the plan, then it would be required in the plan. The limits of the scope in those benefits.
    iv. Lindsay McAllister: It sets a floor. Say we chose United as the benchmark and it puts 20 visit limits on a given service, that is the floor If a plan were to go above that, since the benefits are incorporated into the plan along with the limits, anything above that may be the responsibility of the patient.
    v. Commissioner Koller: In terms of scope of drugs that are covered, think of what is covered and then think of how you get to it. It is a benefit design issue is more in the domain of the exchange, and the "what " that is covered, that is more in our scope right now.
h. Unidentified Man: Formularies, the formularies are different, one drug might be a tier one or a tier three, and it gets confusing for the consumer. If there were formularies for this health plan, it would make it easier for the consumer.
    i. Commissioner Koller: It would, but that is unlikely.
    ii. Lindsay McAllister: One of the goals of the exchange is to present that kind of information in a fairly standardized way.
i. Domenic Delmonico: How does HMO vs. PPO enter into this discussion?
    i. Lindsay McAllister: That is part of the plan design.
    ii. Commissioner Koller: I would argue that the HMO distinctions say a limited network is how you move from platinum to bronze. We hit that bronze target by only making that list available through that preferred list of docs, etc.
    iii. Domenic Delmonico: But it hangs between the two as it impacts affordability, doesn't it?
    iv. Commissioner Koller: Not really – yes an HMO would make this list of benefits more affordable, but we are assuming that reform will make this list of benefits hit the bronze level for the same set of costs. Otherwise all they have is cost sharing.
    v. Domenic Delmonico: Those plan designs are products thought?

vi. Commissioner Koller: Yes, but only went to them for a list of what is covered.
vii. Lindsay McAllister: What we are looking at is the level of what is covered and the calculation of actuarial value is something that we will have to work with our federal partners to establish. Ultimately that AV calculation goes into what we are providing consumers on the exchange, and deciding what their cost sharing would be.
viii. Dan Meuse: We could hold a whole work group on actuarial values, as it is not just what you pay out of pocket, but also what the reimbursement rate is to the insurance company. All of the cost sharing across a benefit will be brought together, to get a single calculation for an entire plan.

j. Steve Brown: Not sure all kids in RI are covered under RIte Smiles. At what age do they consider children's benefits?
    i. Diana Beaton: RIte Smiles goes up to 12, and the utilization of RIte Smiles may be lower than the general population.
    ii. Steve Brown: There might be differences between the RIte Smiles Plans and the Medicaid plan for children, to see what the differences are.
    iii. Lindsay McAllister Yes, but the guidance has been that our options are the CHIP program.
    iv. Kathryn Shanley: The benefits are the same up to the age of 21; it is the delivery system that is different. Up to 12 is RIte Smiles, 12 -21 is Medicaid.
k. David Keller: In terms of considerations, it seems that because kids go through Medicaid and chip it would make sense to remind those advocates, so that kids do not lose out.
    i. Lindsay McAllister: That was something that was raised last time changes in our current environment, and churn as well.
l. Elaina Goldstein: I feel this is the same discussion with habilitative services. I don't know if you are seeking additional clarification from HHS on this issue?
    i. Lindsay McAllister Beyond that parity should be offered along with habillitative, there has not been much guidance.
    ii. Dawn Wardyga: They have not been good about defining the differences between rehabilitative and habilitative.
    iii. Lindsay McAllister: We are hopeful that we will have more guidance to bring to the group.
    iv. Commissioner Koller: Once we get to the supplemental conversations, these questions of how do you supplement are not unique to RI, it would benefit all of us to learn how to derive more from this guidance that we have not yet picked up yet.

III. Wrap Up:

a. Commissioner Koller: Where we are headed with the benchmark plan, the take away is that there are not a ton of differences between the plans offered by the feds. We ask you to benefit from the learning, that the EHB decision does not have a whole lot of variation, not a huge driver of cost, and it make be that this is not the place to have a discussion of affordability, or to create something from scratch. The inclination right now is to go with the small group benefit plan. If people have thoughts or concerns, please convey that.

IV. Public Comment: No additional Comment put forward

V. Adjourn